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**FOR IMMEDIATE RELEASE**

**AIG American General Announces Redesigned  
Variable Universal Life Product**

*AIG Income Advantage Select<sup>SM</sup> designed to optimize cash accumulation*

HOUSTON, October 22, 2008 —AIG American General ([www.aigag.com](http://www.aigag.com)) announced today the launch of AIG Income Advantage Select<sup>SM</sup>, a product issued by American General Life Insurance Company (AGL) and The United States Life Insurance Company in the City of New York (USL), subsidiaries of American International Group, Inc. The product offers death benefit guarantees, an outstanding cash value accumulation opportunity and a superior selection of 47 professionally managed investment options<sup>1</sup>, all at new, more competitive prices than existing AGL and USL variable universal life policies.

Among the latest product enhancements is a 15- to 40-percent increase in death benefits, for maximum funded cases, in the most popular age group of 35-60 year olds. In addition, clients have the potential to generate larger income streams as compared to AGL AIG Income Advantage VUL<sup>2</sup> and to USL Platinum Investor VIP<sup>3</sup>. Other changes include a new underwriting class, standard plus non-tobacco, and the enhanced early cash value term rider.

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<sup>1</sup> Investment return and principal value of the variable options may fluctuate, so that a policy owner's units, when redeemed or borrowed against, may be worth more or less than their original cost. Consult fund prospectuses for information on currently available funds.

<sup>2</sup> Not available in New York. AGL AIG Income Advantage VUL will no longer be available for sale after December 31, 2008.

<sup>3</sup> Available only in New York. USL Platinum Investor VIP will no longer be available for sale after December 31, 2008.

“All owners have specific needs based on their individual circumstances. The flexible design of AIG Income Advantage Select enables owners to create truly customized protection for their families or small businesses with the confidence that comes with life insurance protection and the wealth-building potential of top investment option choices,” said Tim Heslin, vice president and variable universal life business leader for AIG American General.

### **Cash accumulation**

For those who have already maxed out their IRA, 401(k) or who don't have access to an employer-sponsored retirement plan, AIG Income Advantage Select offers a new means of saving for retirement without the added tax burden. For instance, accumulated cash values can be used to pay for children's and grandchildren's college tuition. For those anticipating future educational costs, this new policy not only helps ensure the cash is there when needed, but it also grows tax-deferred (based on current federal income tax laws).

### **Protecting small businesses**

For employers, AIG Income Advantage Select offers a powerful incentive for rewarding valuable employees. Employers have the flexibility to pay benefits at retirement to the selected employees in exchange for their continued employment. Additionally, the company owns the policy and controls the timing of benefits, length of disbursement, and the amount each key employee will receive. If one of these employees were to die while still with the company, the death benefits could be provided to the employee's family in the form of survivor payments, or used to help recover the costs of providing the coverage.

Employers also have the ability to provide a supplemental retirement program for select employees. Business owners can pick and choose the bonus amount each key employee will receive and it is tax-deductible to the company as reasonable compensation paid (IRC sec. 162). Each employee is an owner of the policy, is free to name his or her own beneficiary, determine his or her own specific asset allocation of funds, and control the cash values within the policy.

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## **Performance Boosting Riders**

Since no two people have the same financial plan, or the same circumstances, AIG Income Advantage Select offers several innovative optional riders allowing clients to customize their own policies.

For more information about AIG Income Advantage Select, visit [www.aigag.com/vul](http://www.aigag.com/vul) or call 877-TEAM-VUL.

### **About AIG American General**

AIG American General, [www.aigag.com](http://www.aigag.com), is the marketing name for the insurance companies and affiliates comprising the domestic life operations of American International Group, Inc. (AIG), including American General Life Insurance Company and The United States Life Insurance Company in the City of New York. AIG American General-branded companies offer a broad spectrum of fixed and variable universal life insurance, annuities and accident and health products to serve the financial and estate planning needs of its customers throughout the United States. AIG does not underwrite any insurance policy referenced herein.

FOR THIS AND OTHER INFORMATION ABOUT AIG INCOME ADVANTAGE SELECT, PLEASE CONTACT YOUR REPRESENTATIVE OR GO ONLINE TO “WWW.AIGAG.COM/VUL” FOR THE POLICY AND FUND PROSPECTUSES. BEFORE INVESTING OR SENDING MONEY, PLEASE READ BOTH THE POLICY AND UNDERLYING FUND PROSPECTUSES CAREFULLY, CONSIDERING THE FUNDS’ INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES CAREFULLY (AS THESE FACTORS WILL AFFECT FUTURE RETURNS).

Policy Form #08704 issued by **American General Life Insurance Company**, 2727-A Allen Parkway, Houston, Texas 77019. In New York State Policy Form #08704N issued by **The United States Life Insurance Company in the City of New York** New York, New York. Subsidiaries of American International Group, Inc. Enhanced Early Cash Value Term Rider is designed for business clients. Rider form numbers 08617 and 08617N. The underwriting risks, financial and contractual obligations and support functions associated with products issued by American General Life Insurance Company (AGL) or The United States Life Insurance Company in the City of New York (USL) are each insurer's own responsibility. AIG does not underwrite any insurance policy referenced herein.

USL is authorized to conduct insurance business in New York. Policies and riders not available in all states.

Variable universal life insurance policies issued by AGL and USL are distributed by American General Equity Services Corporation, member FINRA and a subsidiary of American International Group, Inc.

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